

## DEPARTMENT OF VETERANS AFFAIRS

**Justification and Approval  
For  
Other Than Full and Open Competition**

1. **Contracting Activity:** Department of Veterans Affairs, VISN 21 (NCO 21)  
The Contracting Activity is the Network Contracting Activity 21, buying for VISN 21

NCO 21  
5342 Dudley Blvd, Bldg 209  
McClellan, CA 95652

2. **Nature and/or Description of the Action Being Processed:** This J&A limits the competition for a solicitation resulting in a new Firm-Fixed Price contract to the following contractor:

Olympus America Inc.  
3500 Corporate Pkwy  
Center Valley, PA 18034-8229

3. **Description of Supplies/Services Required to Meet the Agency's Needs:** VISN 21 is seeking to purchase new video processors and light source boxes for the VISN 21 GI departments' fleet of GI endoscopes. Gastrointestinal (GI) endoscopes are complicated, flexible instruments that are inserted through the mouth and rectum and into the intestines in order to visualize and diagnose intestinal disorders, to obtain biopsies, and to insert various instruments in order to treat bleeding, remove tumors, and insert stents. The tube that is inserted into the patient ("insertion tube") has a video chip (CCD chip) that transmits a video image. The tube also has fiberoptic light bundles through which xenon can be projected into the intestine in order to view the intestinal lining. The endoscopes are connected to a video processor and light source in order to function. The light source provides illumination for the scope while the video processor manages the input from the video chip of the endoscope. Currently VISN 21 maintains a fleet of Olympus endoscopes, light source, and video processors. This purchase will be to replace all Video Processors and Light Sources that can interface with our current fleet of Olympus endoscopes.

Item	QTY								
	Reno	Livermore	Palo Alto	San Francisco	Martinez	Redding	Fresno	Mather	Total
To Purchase									
CV-190 EVIS EXERA III VIDEO PROCESSOR	3	2	5	4	3	1	3	6	27
CLV-190 EVIS EXERA III LIGHT SOURCE	3	2	5	4	3	1	3	6	27
MAJ-1916 CV INTERFACE CONVERTE DEVICE	3	2	5	4	3	1	3	6	27
MAJ-1918 REMOTE CABLE PERIPHER AL	3	2	5	4	3	1	3	6	27

DEVICE 1.8M									
To Trade In									
CV-180 EVIS EXERA II VIDEO PROCESSOR	4	2	5	4	3	1	3	6	28
CLV-180 EVIS EXERA II LIGHT SOURCE	2	2	5	4	3	1	3	6	26

This one-time purchase is estimated to cost [REDACTED]

**4. Statutory Authority Permitting Other than Full and Open Competition: 41 USC §253(c)(1), as implemented by FAR 6.302-1.**

- (X) (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;
- ( ) (2) Unusual and Compelling Urgency per FAR 6.302-2;
- ( ) (3) Industrial Mobilization, Engineering, Developmental or Research Capability or Expert Services per FAR 6.302-3;
- ( ) (4) International Agreement per FAR 6.302-4
- ( ) (5) Authorized or Required by Statute FAR 6.302-5;
- ( ) (6) National Security per FAR 6.302-6;
- ( ) (7) Public Interest per FAR 6.302-7;

**5. Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):** Olympus is the only firm that can provide those items that can physically interface with the VISN inventory of Olympus GI endoscopes. The VISN inventory of GI endoscopes can only work if they are interfaced appropriately to a specific brand of medical video processors and light sources. There is only one company that can provide VISN 21 with the necessary brand of new equipment and that is the OEM (Original Equipment Manufacturer) of the endoscopes and the video processors and light sources. The OEM has stated that it does not sell its FDA approved equipment through third party vendors, and thus it is necessary to purchase this equipment from the OEM themselves.

**6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable.**

This requirement will be synopsisized in the GPE as required by FAR 5.201. The synopsis will allow other vendors to respond.

**7. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** The Contracting Officer has determined that the anticipated price will be determined to be fair and reasonable. A Price Negotiation Memorandum (PNM) will detail how the Government has determined that the anticipated costs will be fair and reasonable. As this item has been determined to be commercial, cost or pricing data will not be required. Pricing techniques such as are described in FAR 15.404-1(b)(2), will be used to establish price fairness and reasonableness.

**8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** Market research was conducted in accordance with FAR 10. Market research indicated that these devices are not available on FSS. In addition, when searching the term "processor" under NAICS 334510 in the SBA Dynamic Small Business Search, there were no

results returned. Therefore, there are no small business concerns available for this purchase. All evidence indicates that no firms, excepting the one listed in para 2, are capable of meeting VA needs.

9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** Any supporting data that is the responsibility of technical or requirements personnel (e.g., verifying the Government's minimum needs or requirements or other rationale for limited sources) and which form a basis for the justification have been certified as complete and accurate by the technical or requirements personnel. The evidence for this is the "Technical Data to Support a Restricted Competition" in the contract file.
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** See para 2, above.
11. **A Statement of the Actions, if any, the Agency May Take to Remove or Overcome any Barriers to Competition before Making subsequent acquisitions for the supplies or services required:** There is no way to remove any barriers to competition. In order for the government's needs to be met, the equipment must be purchased through the OEM. However, should future market research indicate that items able to meet VA needs be available from other vendors, the VA will consider a competitive action.
12. **Requirements Certification:** I certify that the requirement outlined in this justification is a Bona Fide Need of the Department of Veterans Affairs and that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge and belief.

2/12/2013

X

13. **Approvals in accordance with FAR 6.304**

- a. **Contracting Officer's Certification (required):** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

[Redacted Signature]

DANIEL E. CZECH  
Contracting Officer  
NCO 21

2/12/2013

Date

- b. **NCM/PCM (Required \$3K and above):** I certify the justification meets requirements for other than full and open competition.

[Redacted Signature]

Network Contract Manager

2/12/13

Date

